CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

as at 30 June 2024

VIVION

Vivion Investments S.à r.l.
155, Rue Cents
L-1319 Luxembourg

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as at 30 June 2024

Contents

VIVION

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To the Board of Managers of
Vivion Investments S.à r.l.
155, Rue Cents
L-1319 Luxembourg
Grand Duchy of Luxembourg

Independent Auditors' Report on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Vivion Investments S.à r.l. ("the Company") as at June 30, 2024, which comprise the condensed consolidated interim statement of financial position as at June 30, 2024 and the condensed consolidated interim statement of profit or loss and the condensed consolidated interim statement of other comprehensive income, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the six month period then ended, and notes to the interim financial information ("the condensed consolidated interim financial statements"). Management is responsible for the preparation and presentation of this condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as adopted, for Luxembourg, by the Institut des Réviseurs d'Entreprises. A review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements as at 30 June 2024 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union.

Luxembourg, September 13, 2024

KPMG Audit S.à r.l.
Cabinet de révision agréé

Thomas Grünwald
Partner

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

Assets

	Note	30 June 2024	31 December 2023
		EUR thousands	
		UNAUDITED	AUDITED
Non-current assets			
Investment property	6	3,960,959	3,603,417
Advance payments for investment property		10,500	18,739
Derivatives	12A	17,540	21,910
Investment in and Loans to equity-accounted investees		20,020	58,271
Restricted cash and other deposits		70,615	62,997
Loans and other long-term assets		68,741	45,718
Total non-current assets		**4,148,375**	**3,811,052**

Current assets			
Trade and other receivables		89,658	67,553
Income tax receivables		5,080	2,604
Financial assets	12A	48,717	38,595
Other short-term assets		6,256	10,829
Cash and cash equivalents		473,786	497,068
		623,497	**616,649**
Assets held for sale	7	10,500	160,675
Total current assets		**633,997**	**777,324**

Total assets		**4,782,372**	**4,588,376**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Equity and liabilities

	Note	30 June 2024	31 December 2023
		EUR thousands	
		UNAUDITED	AUDITED
Equity			
Issued share capital		12	12
Share premium reserve		153,986	153,986
Retained earnings		193,791	154,632
Other reserves		35,479	7,005
Total equity attributable to owners of the Company		**383,268**	**315,635**
Non-controlling interests		294,767	284,284
Total equity		**678,035**	**599,919**

Liabilities

Non-current liabilities			
Bonds	9	1,178,112	1,172,060
Loans and borrowings	8	498,360	493,793
Deferred tax liabilities		235,978	206,520
Long-term lease liabilities		89,141	87,150
Liability for sale and leaseback transaction		71,468	69,623
Derivative financial liabilities	12A	5,766	6,283
Tenant deposits		4,772	5,162
Loans from Shareholders	12B	928,240	893,422
Loans from non-controlling interests		541,387	527,007
Total non-current liabilities		**3,553,224**	**3,461,020**

Current liabilities			
Trade and other payables		39,747	45,015
Income tax payables		6,451	5,578
Other short-term liabilities		54,021	41,516
Current maturities on bonds, loans and borrowings		450,894	433,812
		551,113	**525,921**
Liabilities held for sale		-	1,516
Total current liabilities		**551,113**	**527,437**
Total liabilities		**4,104,337**	**3,988,457**
Total liabilities and equity		**4,782,372**	**4,588,376**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Oliver Wolf, Director

Jan Fischer, Director

Date of approval of the condensed consolidated interim financial statements: **12 September 2024**

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS

	Note	For the six months ended 30 June 2024	2023
		EUR thousands UNAUDITED	
Revenues	10	**127,360**	**119,602**
Property revaluations and capital gains (losses)	6	74,052	(156,368)
Share in loss from investment in equity-accounted investees		(637)	(2,246)
Property operating expenses		(14,529)	(13,747)
General and administrative expenses		(14,876)	(13,576)
Operating profit (loss)		**171,370**	**(66,335)**
Interest expenses to third parties		(68,602)	(44,516)
Interest income from third parties		9,673	6,246
Other finance expenses		(8,256)	(7,042)
Change in short-term financial instruments and derivatives		6,373	10,021
Interest expenses on shareholders' and non-controlling interest loans		(31,394)	(33,204)
Profit (loss) before tax		**79,164**	**(134,830)**
Current tax expense		(7,991)	(12,455)
Deferred tax (expense) income		(18,353)	13,724
Profit (loss) for the period		**52,820**	**(133,561)**
Attributable to:			
Owners of the Company		39,159	(57,459)
Non-controlling interests		13,661	(76,102)
		52,820	**(133,561)**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME

	Note	For the six months ended 30 June	
		2024	2023
		EUR thousands UNAUDITED	
Profit (loss) for the period		**52,820**	**(133,561)**
Items that may be reclassified to profit or loss in subsequent periods:			
Net change in fair value of financial assets at fair value through other comprehensive income		(6,557)	(1,367)
Foreign currency translation reserve		31,853	28,552
Other comprehensive income		**25,296**	**27,185**
Total comprehensive income (loss) for the period		**78,116**	**(106,376)**

Attributable to:			
Owners of the Company		67,633	(29,611)
Non-controlling interests		10,483	(76,765)
		78,116	**(106,376)**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Holiday Inn, Cambridge

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	Note	For the six months ended 30 June	
		2024	2023
		EUR thousands UNAUDITED	
Cash flows from operating activities			
Profit (loss) for the period		**52,820**	**(133,561)**
Adjustments for:			
Property revaluations and capital (gains) losses	6	(74,052)	156,368
Share in losses from investment in equity-accounted investees		637	2,246
Net finance expenses		98,579	78,516
Change in short-term financial instruments and derivatives		(6,373)	(10,021)
Tax expense (income)		26,344	(1,269)
Change in trade and other receivables		(37,388)	9,913
Change in trade and other payables		692	(8,895)
Taxes paid		(9,094)	(14,418)
Net cash from operating activities		**52,165**	**78,879**

Cash flows from investing activities			
Capital expenditure on investment properties		(23,787)	(16,314)
Proceeds from disposals of investment properties		26,892	7,500
Interest received		6,219	-
Advances paid in respect of investment properties		-	(6,873)
Proceeds from financial assets		-	50,000
Change in restricted cash and other deposits		(7,618)	(41,086)
Investment in and loans granted to equity accounted investees		-	(9,178)
Investments in traded securities and other financial assets, net		(18,218)	(5,569)
Net cash used in investing activities		**(16,512)**	**(21,520)**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

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	Note	For the six months ended 30 June	
		2024	2023
		EUR thousands UNAUDITED	
Cash flows from financing activities			
Repayment of loans and borrowings		(7,714)	(300,809)
Proceeds from loans and borrowings	5A	21,200	228,375
Repayments of loans from non-controlling interest		-	(42,486)
Payment of transaction costs		(6,954)	-
Interest paid		(52,331)	(15,703)
Buy-back of bonds	9	(10,739)	(24,166)
Lease payments		(3,533)	(2,836)*
Net cash used in financing activities		**(60,071)**	**(157,625)**

Net (decrease) in cash and cash equivalents		**(24,418)**	**(100,266)**
Cash and cash equivalents as at the beginning of the period		497,068	839,102
Effect of exchange rate differences on cash and cash equivalents		1,136	1,726
Cash and cash equivalents as at the end of the period		**473,786**	**740,562**

* The amount of EUR 2.8 million was previously presented in the line Interest paid.

The accompanying notes are an integral part of these condensed consolidated interim financial statements.


Oskar-Jäger-Straße, Cologne

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

	Attributable to owners of the Company							
	Issued share capital	Share premium reserve	Financial assets at fair value through other compre-hensive income reserve	Foreign currency trans-lation reserve	Retained earnings	Total	Non-cont-rolling interests	Total equity
	EUR thousands UNAUDITED							
Balance as at 1 January 2024	**12**	**153,986**	**(6,584)**	**13,589**	**154,632**	**315,635**	**284,284**	**599,919**
Total comprehensive income (loss)								
Profit for the period	-	-	-	-	39,159	**39,159**	13,661	**52,820**
Other compre-hensive income (loss)	-	-	(3,379)	31,853	-	**28,474**	(3,178)	**25,296**
Total compre-hensive income (loss) for the period	**-**	**-**	**(3,379)**	**31,853**	**39,159**	**67,633**	**10,483**	**78,116**
Balance as at 30 June 2024	**12**	**153,986**	**(9,963)**	**45,442**	**193,791**	**383,268**	**294,767**	**678,035**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

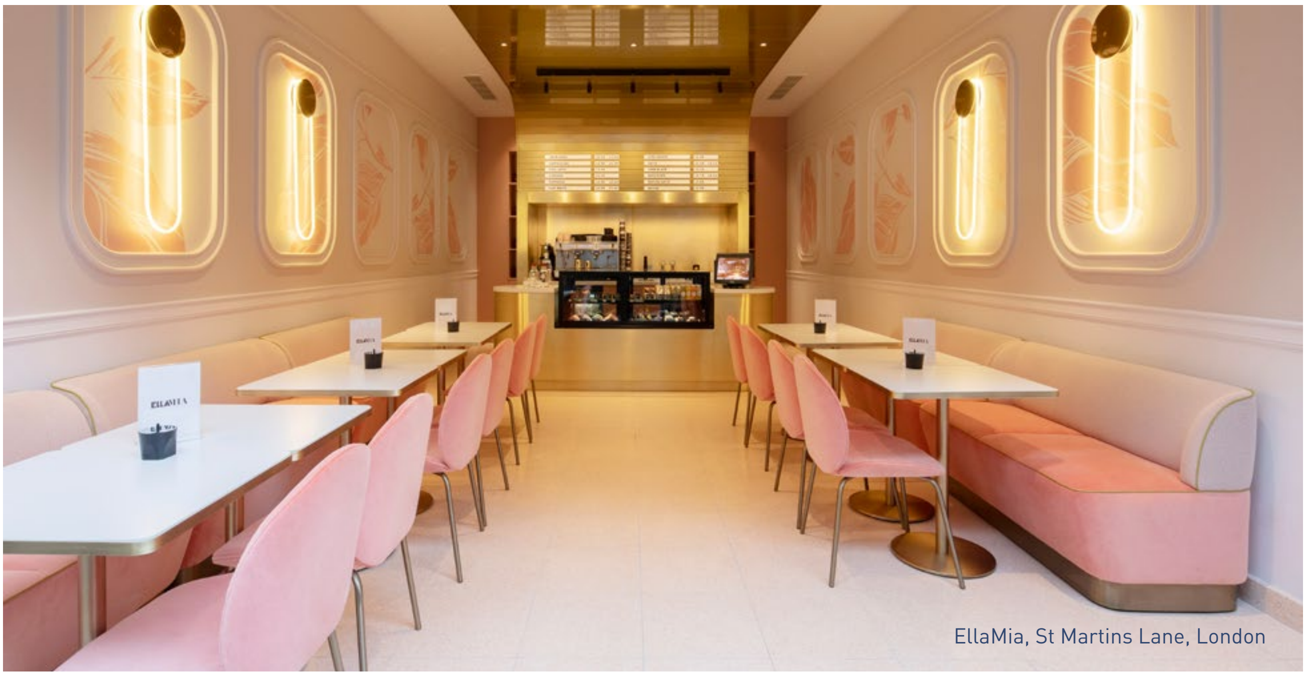
Sanderson Hotel, London

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2023

	Attributable to owners of the Company							
	Issued share capital	Share premium reserve	Financial assets at fair value through other comprehensive income reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	EUR thousands UNAUDITED							
Balance as at 1 January 2023	**12**	**173,010**	**(5,879)**	**(4,818)**	**345,764**	**508,089**	**454,906**	**962,995**
Total comprehensive income (loss)								
Loss for the period	-	-	-	-	(57,459)	**(57,459)**	(76,102)	**(133,561)**
Other comprehensive income (loss)	-	-	(704)	28,552	-	**27,848**	(663)	**27,185**
Total comprehensive income (loss) for the period	**-**	**-**	**(704)**	**28,552**	**(57,459)**	**(29,611)**	**(76,765)**	**(106,376)**
Balance as at 30 June 2023	**12**	**173,010**	**(6,583)**	**23,734**	**288,305**	**478,478**	**378,141**	**856,619**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.



EllaMia, St Martins Lane, London

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTE 1 – CORPORATE INFORMATION

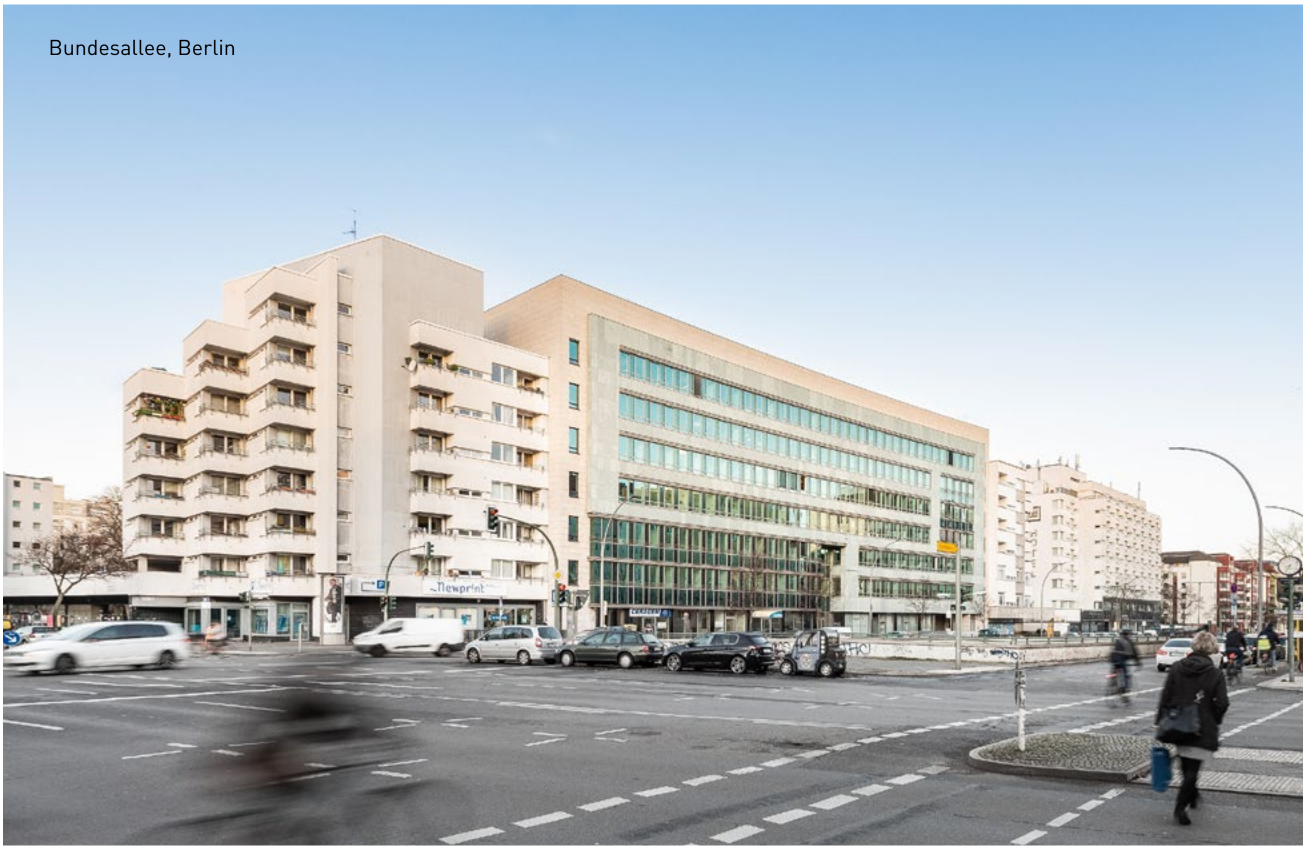
Vivion Investments S.à r.l., (the "**Company**" or "**Vivion**" and together with its consolidated subsidiaries the "**Group**") was formed in Luxemburg on 19 October 2018 and was registered with the Luxembourg Register of Trade and Companies (*Registre de Commerce et des Sociétés Luxembourg*) on 26 October 2018 under number B228676. The Company has its registered address at 155 Rue Cents, L-1319, Luxembourg.

The issued and fully paid share capital of the Company as at 30 June 2024 was EUR 12,297 (31 December 2023: EUR 12,297) divided into 12,297 shares (31 December 2023: 12,297 shares) with nominal value of EUR 1 each. The Company is a directly held subsidiary of Vivion Holdings S.à r.l. ("**Vivion Holdings**" or the "**Parent Company**") a company incorporated in Luxembourg (30 June 2024: 90%; 31 December 2023: 90%). Vivion is a commercial real estate group, focusing on the ownership, management, improvement and selective acquisition and disposal of properties primarily in Germany and in the United Kingdom ("**UK**").

As at 30 June 2024 ("**Reporting date**") the Company indirectly holds 51.5% (31 December 2023: 51.5%) of the share capital of Golden Capital Partners S.A. ("**Golden**"). Golden's business activities are focused on the German commercial real estate market with a focus on office properties.

Vivion holds 100% interest in Luxembourg Investment Company 210 S.à r.l. ("**LIC 210**") that focuses its business activities on investing in hotel properties located in the United Kingdom.

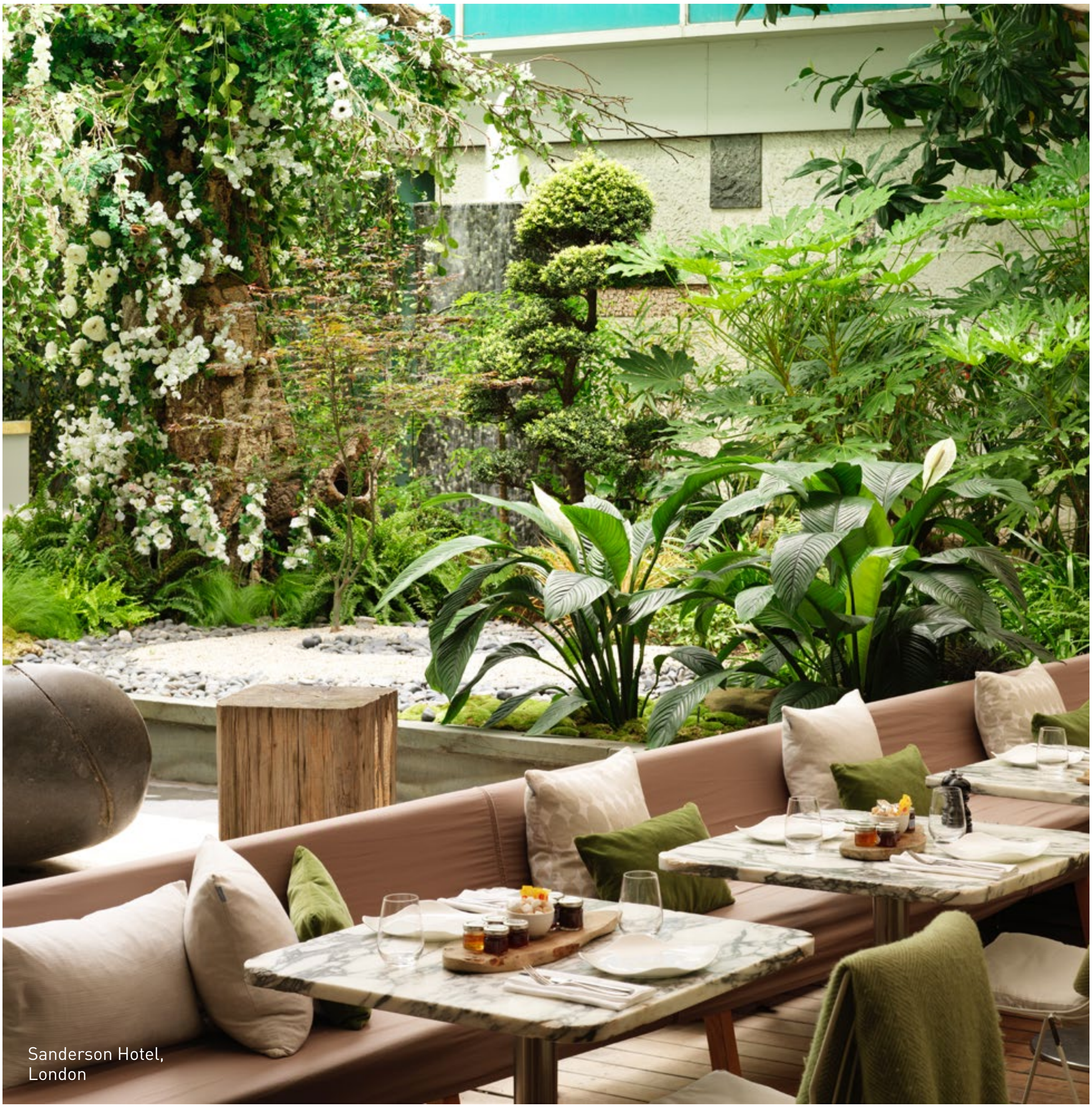
Bundesallee, Berlin



NOTE 2 – BASIS OF PREPARATION

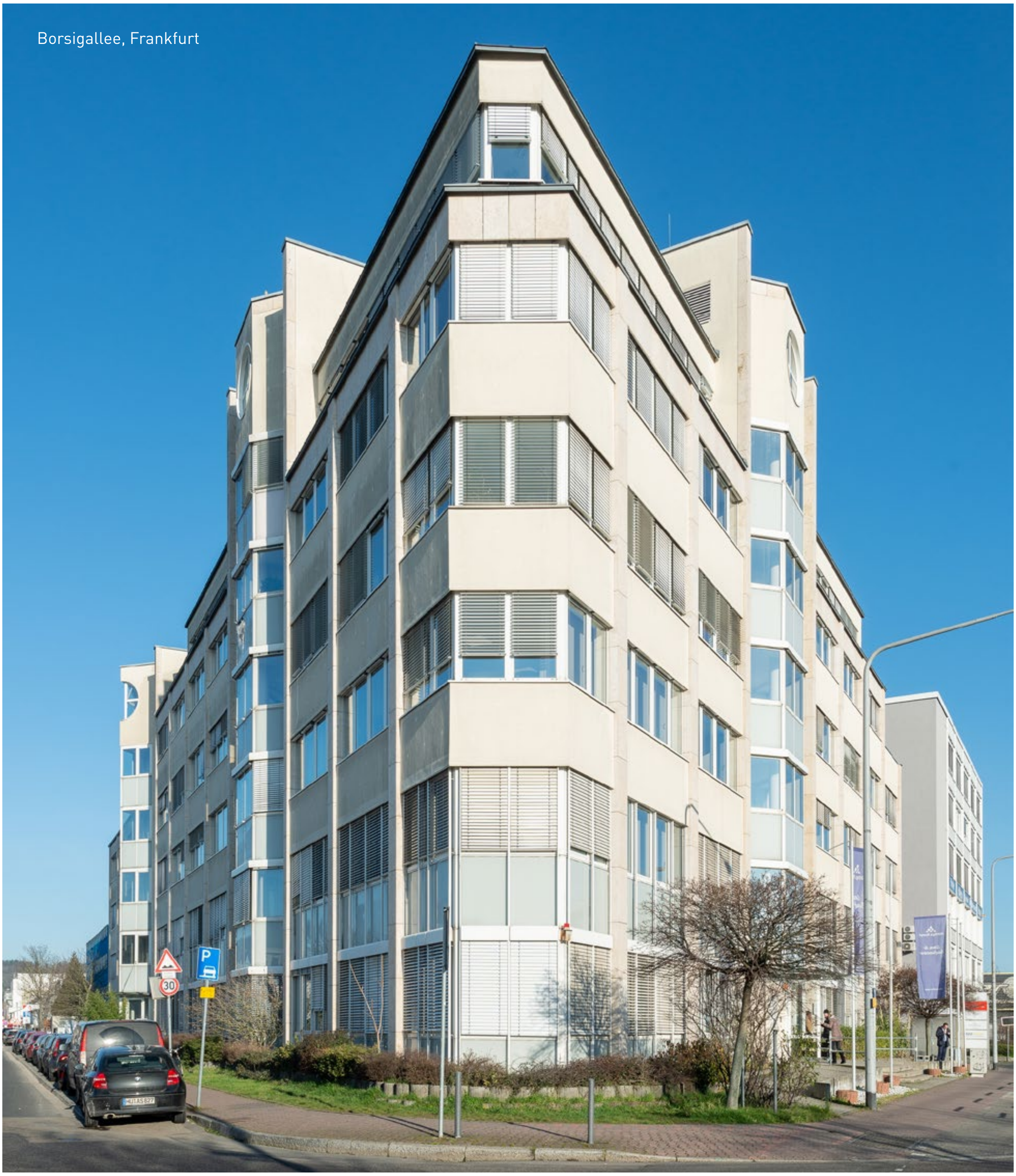
Statement of compliance

These condensed consolidated interim financial statements (the "**Financial Statements**") as at 30 June 2024 (the "**Reporting Date**") and for the six-months period then ended (the "**Reporting Period**") have been prepared in accordance with IAS 34, "Interim Financial Reporting", and do not include all information required for full annual financial statements. They should be read in conjunction with the consolidated financial statements as at and for the year ended 31 December 2023 (hereinafter – the "**Annual Financial Statements**"). However, selected explanatory notes are included to describe events and transactions that are significant to an understanding of the changes in the Group`s financial position and performance since the last audited annual consolidated financial statements.


Sanderson Hotel, London

NOTE 3 – USE OF ESTIMATES, JUDGMENTS AND FAIR VALUE MEASUREMENT

The preparation of financial statements in conformity with IFRSs requires management to exercise judgment when making assessments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.



Borsigallee, Frankfurt

NOTE 4 – SUMMARY OF MATERIAL ACCOUNTING POLICIES

Except as described below in Item A, the accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its Annual Financial Statements.

Presented hereunder is a description of the changes in accounting policies applied in these condensed consolidated interim financial statements and their effect:

A. Initial application of new standards, amendments to standards and interpretations

The Group has applied the following standards and amendments for the first time for the financial year beginning on 1 January 2024:

- Amendments to IAS 1: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (issued on 23 January 2020, 15 July 2020 and 31 October 2022 respectively and effective for annual periods beginning on or after 1 January 2024);

- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback (issued on 22 September 2022 and effective for annual reporting periods beginning on or after 1 January 2024);

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures, Supplier Finance Arrangements (effective for annual reporting periods beginning on or after 1 January 2024).

The above standards and amendments had no material impact on the Group's condensed consolidated interim financial statements.

B. New standards, amendments to standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for reporting period commencing on 1 January 2024 and have not been early adopted by the Group:

- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (the effective date for these amendments was deferred indefinitely);

- IFRS 18: Presentation and Disclosure in Financial Statements (effective date from annual reporting periods beginning on or after 1 January 2027 with earlier application being permitted).

These new standards, amendments and interpretations have not been endorsed by the European Union yet. Unless otherwise described above, the new standards and interpretations are not expected to significantly affect the Group's condensed consolidated interim financial statements.

NOTE 5 – EVENTS DURING THE REPORTING PERIOD

A. In January 2024, the Group signed a new secured loan agreement for one of its properties in UK, in the amount of GBP 18.3 million (EUR 21.2 million) with a term of 4 years, bearing interest of 2.96% + SONIA. The Group, at any time at its own discretion can repay the facility with no material break cost.

B. In March 2024, the Group signed an amendment to the agreement of its existing EUR 67 million loan. In accordance with the amendment, the maturity date has been prolonged until May 2025 and the interest rate was updated to 4% + 1M Euribor capped at 1.5%.

C. In June 2024, the Group signed a new secured financing for one of its UK portfolios in the amount of GBP 123 million (EUR 146 million) with a term of 5 years bearing interest of 4.75% + SONIA capped at 4%. After 2.5 years the Group can repay the facility with no material break cost. The loan was drawn in July 2024. For further information, see Note 13.3.

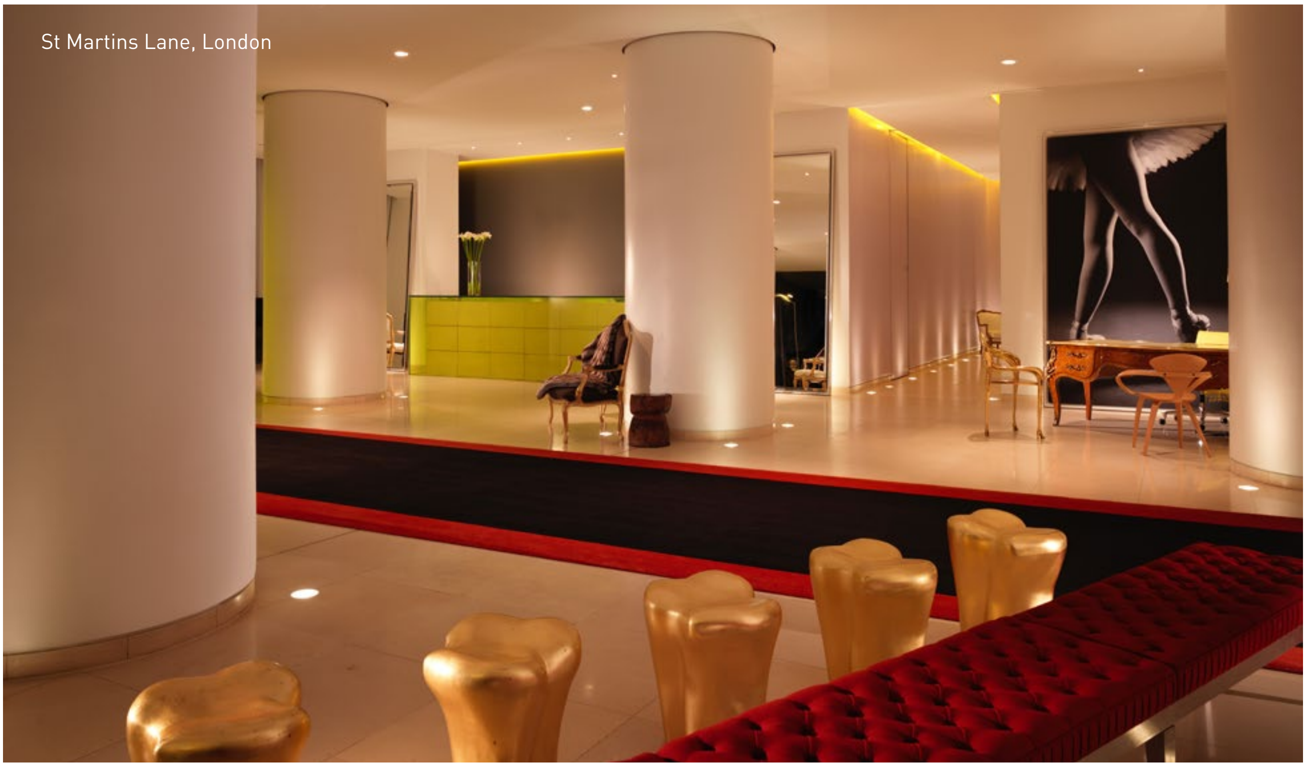
Gustav-Heinemann-Ring,
München

NOTE 6 – INVESTMENT PROPERTY

A. Reconciliation of investment property, according to its predominant use

	Germany[1]				UK	Total
	Offices	Hotels	Other	Subtotal	Hotels[2]	
	EUR thousands UNAUDITED					
Balance as at 1 January 2024 (incl. held for sale assets)	**1,381,492**	**207,879**	**109,109**	**1,698,480**	**2,064,127**	**3,762,607**
Additions	-	47,710[5]	-	**47,710**	-	**47,710**
Capital expenditure	3,271	5,590	495	**9,356**	16,733	**26,089**
Fair value adjustments[3]	16,352	3,874	1,028	**21,254**	52,041	**73,295**
Foreign currency revaluation effect	(5)	(7)	47	**35**	55,621	**55,656**
Other adjustments	(163)	2,378	886	**3,101**	3,001	**6,102**
Total	**1,400,947**	**267,424**	**111,565**	**1,779,936**	**2,191,523**	**3,971,459**
Less: classified as held for sale	(10,500)	-	-	**(10,500)**	-	**(10,500)**
At 30 June 2024[4]	**1,390,447**	**267,424**	**111,565**	**1,769,436**	**2,191,523**	**3,960,959**

[1] The investment property table for Germany contains properties in other EU jurisdictions.
[2] Includes one residential property.
[3] Excludes capital gains of EUR 0.8 million.
[4] Includes right-of-use assets of EUR 89.4 million.
[5] Additions by gaining control over existing properties, that were previously presented under Equity accounted investees.



St Martins Lane, London

	Germany[1]				UK	Total
	Offices	Hotels	Other	Subtotal	Hotels[2]	
	EUR thousands AUDITED					
Balance as at 1 January 2023 (incl. held for sale assets)	**1,675,520**	**225,877**	**117,782**	**2,019,179**	**1,960,859**	**3,980,038**
Capital expenditure	9,229	5,694	875	**15,798**	27,275	**43,073**
Fair value adjustments[3]	(269,941)	(27,657)	(9,922)	**(307,520)**	21,048	**(286,472)**
Foreign currency revaluation effect	(86)	(118)	465	**261**	40,524	**40,785**
Disposal of investment property	(34,050)	-	-	**(34,050)**	-	**(34,050)**
Other adjustments	820	4,083	(91)	**4,812**	14,421	**19,233**
Total	**1,381,492**	**207,879**	**109,109**	**1,698,480**	**2,064,127**	**3,762,607**
Less: classified as held for sale	(105,900)	-	(53,290)	**(159,190)**	-	**(159,190)**
At 31 December 2023[4]	**1,275,592**	**207,879**	**55,819**	**1,539,290**	**2,064,127**	**3,603,417**

[1] The investment property table for Germany contains properties in other EU jurisdictions.
[2] Includes one residential property.
[3] Excludes capital losses of EUR 0.4 million.
[4] Includes right-of-use assets of EUR 87.4 million.

B. Measurement of fair value

Investment properties are measured at their fair value, which reflects the market conditions prevailing as of the reporting date. The valuations had been performed by external independent appraisers with recognized professional expertise and vast experience as to the location and category of the property being valued by reference to properties with similar condition and location, as well as by using valuation techniques such as Discounted Cash Flow ("**DCF**") method, in accordance with the Royal Institution of Charted Surveyors (the "**Red Book**") and with International Valuation Standards (IVS), as set out by the International Valuation Standards Committee (IVSC).

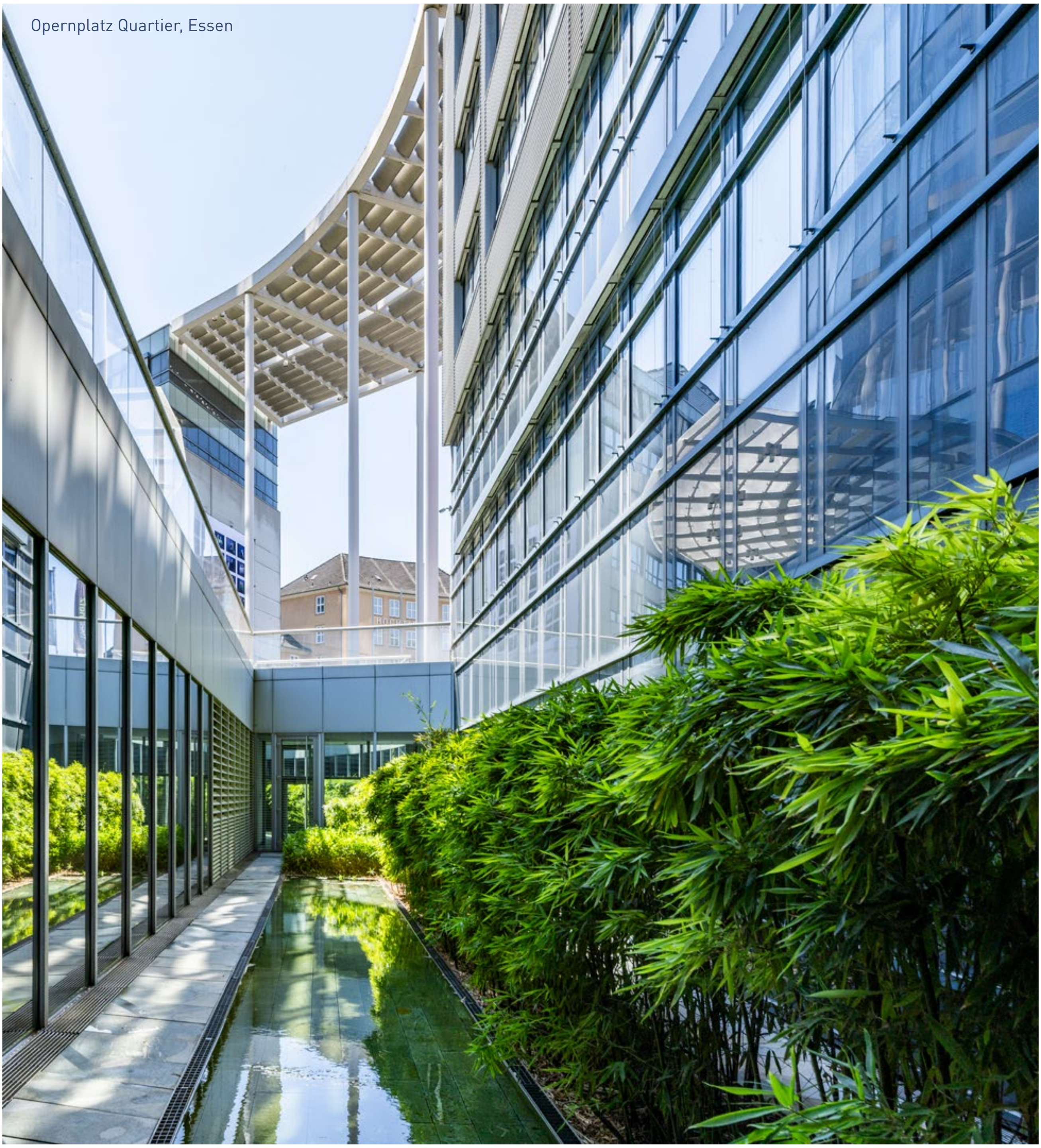
Under the DCF method the forecasted future income and costs of the property over a 10 year period are discounted to the date of valuation, by using discounts rates which are suitable in the appraisers' and Group management's view to the specific property location and category, specific characteristics and inherent risk as well as the prevailing market conditions as at the reporting date, and an exit value at the end of the detailed cash flow period. The income mainly comprises of expected rental income (current in-place rent, market rents as well as their development) net of estimated operating expenses, taking vacancy and lease-up assumptions into account, as well as an estimation of anticipated capital expenditure.

Where applicable, the appraisers use the residual value method through capitalizing the future market value of the property once it is developed, less estimated cost to complete. The rental levels are set at the current market levels capitalized at the net yield which reflects the risks inherent in the net cash flows.

NOTE 7 – ASSETS CLASSIFIED AS HELD FOR SALE

The Group expects to sell non-core property being held by a subsidiary of the Group within the next 12 months. The Group has initiated selling activities and is in negotiations with potential buyers. As at 30 June 2024, the Company classified investment properties with fair value of EUR 10.5 million as Assets held for sale (31 December 2023: EUR 159.2 million).

During the Reporting Period, the Group reclassified properties with a value of EUR 148.7 million to investment properties, as management foresee the market stabilizing and estimates that the sale might take more than 12 months from the Reporting date.


Opernplatz Quartier, Essen

NOTE 8 – SECURED LOANS AND BORROWINGS

1. In January 2024, the Group signed a new secured loan agreement for one of properties in UK, in the amount of GBP 18.3 million (EUR 21.2 million) with a term of 4 years, bearing interest of 2.96% + SONIA. The Group, at any time at its own discretion can repay the facility with no material break cost.

2. In March 2024, the Group signed an amendment to the agreement of its existing EUR 67 million loan. In accordance with the amendment, the maturity date has been prolonged until May 2025 and the interest rate was updated to 4% + 1M Euribor capped at 1.5%.

3. In June 2024, the Group signed a new secured financing in one of its UK portfolios in the amount of GBP 123 million (EUR 146 million) with a term of 5 years bearing interest of 4.75% + SONIA capped at 4.5%. After 2.5 years the Group can repay the facility with no material break cost. The loan was drawn in July 2024. For further information, see Note 13.3.

4. As part of the bank loans received by the Group, the Group companies have undertaken to maintain certain financial ratios, inter-alia, Loan-to-value ("**LTV**"), debt service coverage, interest coverage, Net Operating Income ("**NOI**") Debt Yield minimum and loan to annual rent.

As at 30 June 2024, the Group is fully compliant with all covenant requirements.

NOTE 9 – SENIOR BONDS

The below overview summarizes the outstanding senior bonds per the Reporting Date:

Senior Bonds	Currency	Nominal amount (in thousands)	Coupon rate (p.a., %)	Issue price (%)	Issuance-maturity	30 June 2024	31 December 2023
						EUR thousands	
						UNAUDITED	AUDITED
Bond I	EUR	168,900*	3.00	100.00	08/2019 - 08/2024	168,802**	179,312
Bond III	EUR	635,305	6.50	100.00	08/2023 - 08/2028	601,038	590,225
Bond IV	EUR	559,468	6.50	100.00	08/2023 - 02/2029	577,074	581,835
Total Senior Bonds						**1,346,914**	**1,351,372**
Total accrued interest on Senior Bonds						**29,543**	**27,181**

* Total outstanding nominal amount as at 30 June 2024.
** Presented in Current maturities on bonds, loans and borrowings, see more information in Note 13.3 and Note 13.4.

1. During the reporting period the Group performed a buy-back of its own issued unsecured bonds from Bond I in a nominal amount of EUR 11 million.

2. As at 30 June 2024, the Group is fully compliant with all covenant requirements on all senior bonds.

NOTE 10 – OPERATING SEGMENTS

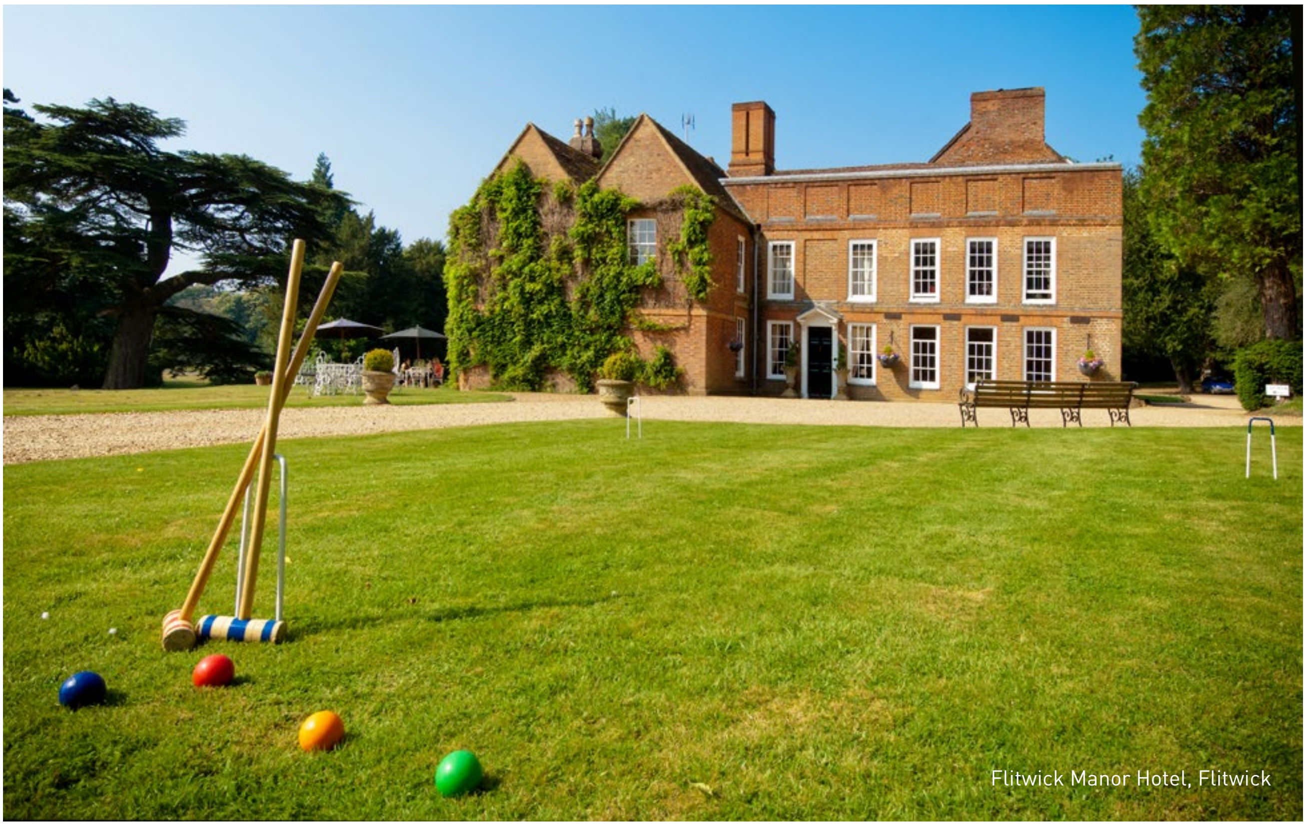
The Group has two reportable segments as described below, which form the Group's strategic business units. The allocation of resources and evaluation of performance are managed separately for each business unit because they have different asset class and different geography, hence exposed to different risks and required yields.

For each of the business units, the Group's chief operating decision maker ("**CODM"**) reviews management reports on at least a quarterly basis for:

- Properties located in Germany;
- Properties located in the United Kingdom.

Commercial properties in Germany include predominately office asset class (83% of the total fair value of the German portfolio as of the Reporting Date). The other asset class in Germany include mainly hotels and retail investment property. None of these segments met any of the quantitative thresholds for determining reportable segments during the Reporting period.

The accounting policies for the operating segments are the same as described in Note 3 of the Annual Financial Statements. Performance is measured based on segment operating profit as included in reports that are regularly reviewed by the CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the segments' results. Segment results reported to the CODM include items directly attributable to a segment on a reasonable basis. Financial expenses, financial income and taxes on income are managed on a group basis and, therefore, were not allocated to the different segment activities. Segment assets comprise mainly investment property, cash and equivalents and operating receivables whereas segment liabilities comprise mainly borrowings and operating payables.


Flitwick Manor Hotel, Flitwick

Information regarding the results of each reportable segment is provided below:

	United Kingdom	Germany*	Total Consolidated
		EUR thousands UNAUDITED	
For the six months period ended 30 June 2024			
Revenues	78,718	48,642	127,360
Property revaluations and capital gains	52,392	21,660	74,052
Property operating expenses	(1,499)	(13,030)	(14,529)
General and administrative expenses	(1,523)	(5,148)	(6,671)
Reportable segment operating profit	**128,088**	**52,124**	**180,212**
Share in losses from investment in equity-accounted investees			(637)
Corporate general and administration expenses			(8,205)
Net finance expenses			(92,206)
Profit before tax	**128,088**	**52,124**	**79,164**

	United Kingdom	Germany*	Total Consolidated
		EUR thousands UNAUDITED	
For the six months period ended 30 June 2023			
Revenues	72,844	46,758	119,602
Property revaluations and capital losses	(13,543)	(142,825)	(156,368)
Property operating expenses	(1,429)	(12,318)	(13,747)
General and administrative expenses	(837)	(6,659)	(7,496)
Reportable segment operating profit (loss)	**57,035**	**(115,044)**	**(58,009)**
Share in losses from investment in equity-accounted investees			(2,246)
Corporate general and administration expenses			(6,080)
Net finance expenses			(68,495)
Profit (loss) before tax	**57,035**	**(115,044)**	**(134,830)**

* The operating segments table for Germany contains properties in other jurisdictions.

NOTE 11 – RELATED PARTIES

The immediate Parent of the Company is disclosed in Note 1.

The Group's investments in significant subsidiaries are listed in the following table:

Subsidiary	Country of incorporation	Principal activities	30 June 2024	31 December 2023
			% Equity interest	
Subsidiaries held directly and indirectly by the Company				
Lux Investment Company 210 S.à r.l.	Luxembourg	Financing	100.0%	100.0%
Ribbon HoldCo Limited	United Kingdom	Holdings	100.0%	100.0%
UK Investment Company 211 Mezz HoldCo Limited	United Kingdom	Holdings	100.0%	100.0%
Zinc Hotels HoldCo Limited	United Kingdom	Holdings	100.0%	100.0%
Vivion Capital Partners S.A.	Luxembourg	Financing	100.0%	100.0%
Golden Capital Partners S.A.	Luxembourg	Holdings	51.5%	51.5%

The following balances with related parties are included in the condensed consolidated interim financial statements:

	30 June 2024	31 December 2023
	EUR thousands	
	UNAUDITED	AUDITED
Consolidated statement of financial position		
Rent and other receivables from related parties	70,560 [1,2]	42,703
Loans to equity-accounted investee	3,515	38,442
Payables to related parties	(5,263)	(5,070)
Loans from Shareholders	(833,821)	(802,337)

	For the six months period ended 30 June	
	2024	2023
	EUR thousands	
	UNAUDITED	UNAUDITED
Consolidated statement of profit or loss		
Rental and service charges income [3, 4]	66,576	61,726
Interest income	173	969
Services and management fee charges [5]	(8,603)	(6,500)
Interest expenses on loans from Shareholders	(17,034)	(17,428)

[1] During the Reporting Period, the Group signed an agreement to defer receivables in an amount of GBP 15 million (EUR 17.5 million) to be repaid starting July 2025. The amount is presented under Loans and other long-term assets.

[2] Subsequent to the Reporting Date, the Group received in cash EUR 19 million in respect of the rent receivables for the first six months of 2024 that positively affect the operating cash flow.

[3] A portion of Vivion's UK hotel assets are leased to related operating companies.

[4] Includes tenant incentives recognized on a straight-line basis.

[5] The Group is engaged with companies affiliated with the beneficial owner of the Company for providing services to the Group companies. These services include General Management, Asset Management, Property Management, Project Management and Facility Management, which are being charged for as a percentage of the rental income and/or gross operating profit of the respective property company.

The terms and conditions of the related parties' loans and services are as mentioned in Note 14 and 25, respectively, of the Annual Financial Statements.

Director fees

During the Reporting Period, the Group paid Director's fees of approximately EUR 205 thousand (for the six months period ended 30 June 2023: EUR 128 thousand).

NOTE 12 – FINANCIAL INSTRUMENTS

A. Fair value measurement hierarchy

The table below presents an analysis of financial instruments measured at fair value on the temporal basis using valuation methodology in accordance with fair value hierarchy levels. The levels are defined as follows:

- Level 1: the fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period;
- Level 2: the fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable data and rely as little as possible on entity-specific estimates. If all significant input required to fair value of financial instrument are observable, the instrument is included in level 2;
- Level 3: if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

During the Reporting Period, no transfers have occurred between the levels of the fair value hierarchy.

	30 June 2024 Fair value measurement using EUR thousands UNAUDITED			
	Total	**Level 1**	**Level 2**	**Level 3**
Financial assets				
Financial assets at fair value through profit and loss	48,717	48,717	-	-
Derivative financial instruments	17,540	-	16,519*	1,021
Total	**66,257**	**48,717**	**16,519**	**1,021**
Financial liabilities				
Derivative financial liabilities	5,766	-	-	5,766
Total	**5,766**	**-**	**-**	**5,766**

	31 December 2023 Fair value measurement using EUR thousands AUDITED			
	Total	**Level 1**	**Level 2**	**Level 3**
Financial assets				
Financial assets at fair value through profit and loss	32,003	32,003	-	-
Financial assets at fair value through other comprehensive income	6,592	6,592	-	-
Derivative financial instruments	21,910	-	16,950(*)	4,960
Total	**60,505**	**38,595**	**16,950**	**4,960**
Financial liabilities				
Derivative financial liabilities	6,283	-	-	6,283
Total	**6,283**	**-**	**-**	**6,283**

(*) Variable interest rate bank loans are hedged with interest cap rate and interest swap rate derivatives with a fair value of EUR 16.5 million as at 30 June 2024 (31 December 2023: EUR 16.9 million).

B. Financial assets and liabilities at amortized cost

The carrying amounts of certain financial assets and liabilities, including cash and cash equivalents, trade receivables, other receivables, restricted cash and other deposits, other financial assets, loans to equity-accounted investees, trade payables, other payables, lease liabilities and liability for sale and leaseback transaction, proximate to their fair value.

The main part of loans and borrowings bear variable interest rate, and thus are proximate to their fair value.

The following table represents the fair value of financial liabilities for disclosure purposes:

	30 June 2024		31 December 2023	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
	EUR thousands			
	UNAUDITED		AUDITED	
Senior Bonds [1] [2]	1,346,914	1,243,492	1,351,372	1,060,300
Loans from Shareholders	928,240	719,833	893,422	678,490
Loans from non-controlling interests	500,988	500,960	488,296	488,848
Total	**2,776,142**	**2,464,285**	**2,733,090**	**2,227,638**

(1) The fair value of the Senior Bonds is based on price quotations at the reporting date (Level 1).
(2) The Senior Bonds include capitalized issuance costs of EUR 8.3 million (31 December 2023: EUR 12.4 million).

NOTE 13 – SUBSEQUENT EVENTS

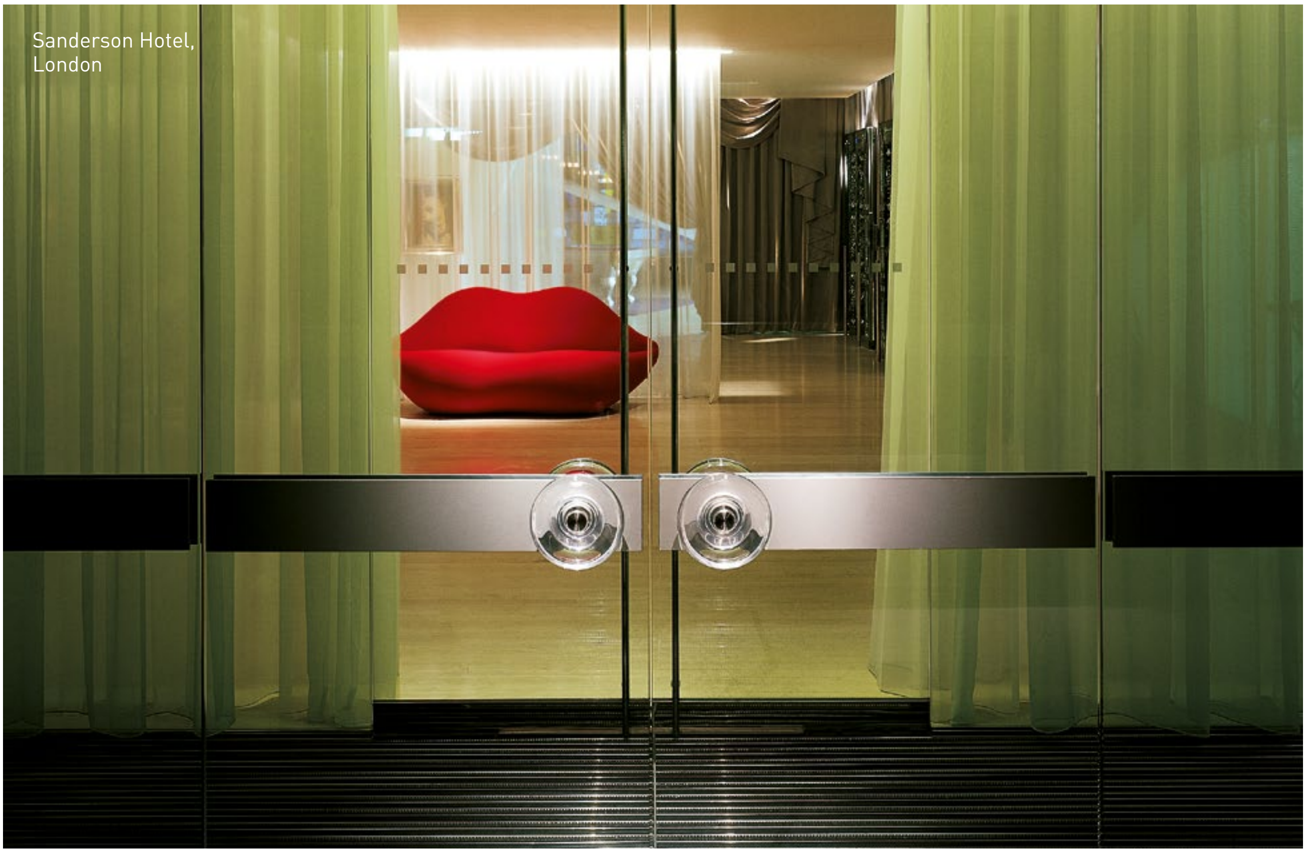
1. In July 2024, the Group successfully completed a new secured financing for one of its hotels in UK in the amount of GBP 50 million (EUR 59 million) with a term of 5 years and bearing an interest of 2.75% + SONIA capped.

2. In July 2024, the Group signed a 5-year extension agreement for its EUR 25 million loan. In accordance with the agreement, the interest rate is 1.5% + 3M Euribor capped at 2.5%.

3. Further to Note 5.C, in July 2024, the Group received GBP 123 million (EUR 146 million). The funds were used to redeem the remaining outstanding amount of Bond I series, see also (4) below.

4. In August 2024, the Company had redeemed the remaining outstanding Bond I series of EUR 168.9 million plus coupon at the maturity date.

5. In August 2024, the Group signed an amendment to the agreement of its EUR 85 million loan (outstanding ca. EUR 75 million as of the Reporting date). In accordance with the amendment, the maturity date has been prolonged until December 2025 and the interest rate was updated to 2.75% + 3M Euribor, swapped and the loan amount was reduced to EUR 61.7 million.


Sanderson Hotel, London

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